TULLIS POTATO STORAGE INC.

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31
(UNAUDITED)

	2000	1999
	(Thousands of Dollars)	
ASSETS		
CURRENT ASSETS		
Cash	$ -	$ 73
Accounts receivable	-	91
	-	164
CAPITAL ASSETS (note 4)	-	2,429
	$ -	$ 2,593
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$	$ 64
Current portion of mortgage payable (note 5)	-	77
		141
MORTGAGE PAYABLE (note 5)	-	2,455
	-	2,596
SHAREHOLDERS' EQUITY		
CONTRIBUTED SURPLUS	102	-
RETAINED EARNINGS	(102)	(3)
	$ -	$ 2,593

Director

See accompanying notes

TULLIS POTATO STORAGE INC.

STATEMENT OF OPERATIONS AND RETAINED EARNINGS
YEAR ENDED DECEMBER 31
(UNAUDITED)

	2000	1999
	(Thousands of Dollars)	
REVENUE		
Rental Income	$ 116	$ 232
Interest	3	2
Other	50	-
	169	234
EXPENSES		
Interest	83	146
Amortization of capital assets	32	64
Operations	153	14
	268	224
NET INCOME LOSS FROM OPERATIONS	(99)	10
RETAINED EARNINGS, BEGINNING OF YEAR	(3)	(13)
RETAINED EARNINGS, END OF YEAR	$ (102)	$ (3)

See accompanying notes

TULLIS POTATO STORAGE INC.

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31
(UNAUDITED)

	2000	1999
	(Thousands of Dollars)	
Operating activities		
Net income	$ (99)	$ 10
Charges and credits not affecting cash:		
Amortization of capital assets	32	64
Net changes in non-cash working capital balances relating to operations:		
Accounts receivable	91	(86)
Accounts payable	(59)	14
Cash provided by (used in) operating activities	(35)	2
Investing activities		
Capital expenditures	-	(4)
Cash used in investing activities	-	(4)
Financing activities		
Repayment of mortgages	(38)	(67)
Cash provided by financing activities	(38)	23
INCREASE IN CASH	(73)	21
CASH, BEGINNING OF YEAR	73	52
CASH, END OF YEAR	$ -	$ 73

See accompanying notes

TULLIS POTATO STORAGE INC.

Notes to the Financial Statements
December 31, 2000
(UNAUDITED)

1. Status of the Corporation

Tullis Potato Storage Inc. was formed in April, 1997. The corporation's purpose is to facilitate construction of potato storage facilities in the Lake Diefenbaker area of Saskatchewan.

2. Ownership of the Corporation

At December 31, 2000, ownership of the corporation was solely by Saskatchewan Water Corporation.

3. Significant Accounting Policies

Capital Assets

Capital assets are recorded at cost. Amortization of capital assets is calculated at the following annual rates designed to amortize the recorded cost over the estimated useful lives of the capital assets:

Capital assets	Method	Rate
Potato storage building	straight-line	2.5%

4. Capital Assets

	2000			1999
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	(Thousands of Dollars)			
Potato storage building	$ -	$ -	$ -	$2,429

All assets of the corporation were transferred to Sask Valley Potato Corporation. The effective date of the transfer was June 28, 2000.

5. Mortgage Payable

	2000	1999
	(Thousands of Dollars)	
	$ -	$2,532
Less: Current portion of mortgage payable	-	(77)
	$ -	$2,455

The mortgage was due to the Canadian Imperial Bank of Commerce (CIBC). The mortgage was transferred to Sask Valley Potato Corporation. The effective date of the transfer was June 28, 2000.

6. Related Party Transactions

Saskatchewan Water Corporation is a related party to the corporation through its ownership interest. Below is a summary of transactions and amounts outstanding at year end:

	2000	1999
	(Thousands of Dollars)	
Saskatchewan Water Corporation:		
Accounts receivable	$ -	$ 1
Accounts payable	-	14
Revenue	116	232
Con-Force Investments Inc.:		
Lucky Lake Potato Storage Inc.		
Accounts receivable	-	90